

# ***NEWS from the T&I DEMOCRATS***

***Committee on Transportation and Infrastructure, Democratic Caucus***

***U.S. House of Representatives, 2163 Rayburn HOB, Washington, DC 20515***

***www.house.gov/transportation\_democrats***

---

***For Immediate Release, Thursday, March 16, 2006***

***Contact: Jim Berard, 202-225-5260***

## **Democrats Release Report on Amtrak Members of T&I working group issue separate views following 5-month study of finances and operations**

WASHINGTON—Democrats on a special Amtrak Working Group report that Amtrak has made significant progress in improving its management and performance, but that fact is not being recognized by many in Congress and the Administration.

The Democrats today issued their own separate views resulting from a 5-month study of the railroad. The working group was formed in October, 2005, by the Transportation and Infrastructure Committee to follow up on the findings and recommendations of a Government Accountability Office investigation released at that time. Democratic Reps. Elijah E. Cummings of Maryland, Jerrold Nadler of New York, and Brian Baird of Washington were appointed to the group.

One purpose of the working group was to determine if a special task force on Amtrak should be set up within the T&I Committee. The Democratic report rejects the idea and recommends that the Subcommittee on Railroads continue its oversight of Amtrak.

The report further cites improvements already underway at the passenger railroad that answer many of the criticisms mounted in the GAO findings. Amtrak's improved management practices, financial controls, and procurement procedures are not reflected in GAO's October report, the Democrats say. They quote the Amtrak Inspector General's response to the working group: "An uninformed reader of the GAO report might improperly conclude that Amtrak has no planning processes, no goals and objectives, and operates without oversight, internal controls, or budget discipline. This is not the case...."

The Democratic Members also acknowledge that Amtrak's status as a government-owned corporation, its dependence on freight railroads for most of its track usage, and its lack of an assured long-range source of funding provide it with unique challenges not faced by private-sector corporations. For example, the report points out that when Amtrak has cut costs in the past, it has often resulted in Congress reducing Amtrak's funding for the following year, in effect punishing the railroad for its success.

***MORE...***

**AMTRAK/DEMOCRATS**

**MARCH 16, 2006**

**ADD ONE**

The report also places responsibility for many of Amtrak's problems on its Board of Directors and the failure of the White House to make timely appointments. "Current law requires the President to appoint seven members to the Board that have technical qualifications, professional standing, and demonstrated expertise in the fields of transportation or corporate or financial management. According to the GAO, the Administration is not in compliance with current law, as there are exactly four Directors on the Board. One of those is the Secretary of Transportation and two others are recess appointments," the Democratic report points out.

The Democrats conclude the report with a call for a study by the Inspector General of the Department of Transportation to determine whether the Amtrak board is adequately carrying out its legal and fiduciary responsibilities.

***The full text of the separate Democratic Amtrak Working Group report is available online at [www.house.gov/transportation\\_democrats](http://www.house.gov/transportation_democrats).***

**###**